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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Mission in the Central African Republic and Chad

Financial performance report for the period from 1 July 2009 to 30 June 2010 of the United Nations Mission in the Central African Republic and Chad

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2009/10	$690,753,100
Expenditure for 2009/10	$540,805,300
Unencumbered balance for 2009/10	$149,947,800

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I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the financial performance report of the United Nations Mission in the Central African Republic and Chad (MINURCAT) for the period from 1 July 2009 to 30 June 2010, and has made observations and recommendations where appropriate below.

2. The general report of the Advisory Committee on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/65/743) contains its views and recommendations on a number of cross-cutting issues. In the present report, the Committee deals with resources and other items that relate specifically to MINURCAT.

3. In considering the performance report of MINURCAT for the period from 1 July 2009 to 30 June 2010 (A/65/638), the Advisory Committee has taken into account the recommendations of the Board of Auditors related to the Mission (see A/65/5 (Vol. II), chap. II) as referred to in paragraph 18 below. In addition, the report of the Committee on the Board's report on the United Nations peacekeeping operations is contained in document A/65/782. **The Advisory Committee reiterates the need for the expeditious implementation of the relevant recommendations of the Board of Auditors.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of MINURCAT are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2009 to 30 June 2010

5. The mandate of MINURCAT was established by the Security Council in its resolution 1778 (2007) and extended by the Council in subsequent resolutions. Security Council resolutions 1778 (2007), 1834 (2008), 1861 (2009), 1913 (2010) and 1923 (2010) provide the mandate for the 2009/10 performance period according to which the Mission should help to create the security conditions conducive to the voluntary, secure and sustainable return of refugees and displaced persons, in eastern Chad and north-eastern Central African Republic. To that end, the deployment of the United Nations police and the Chadian Détachement intégré de sécurité to various parts of eastern Chad was one of the main priorities (see para. 14 below).

6. By its resolution 1923 (2010) the Security Council decided on a final extension of the mandate of MINURCAT until 31 December 2010, after which the Mission was to enter into liquidation. The decision was preceded by a letter from the Government of Chad, in January 2010, requesting that the mandate not be renewed. The Security Council resolution also provided for the final withdrawal of the military personnel of the Mission starting 15 October 2010. The Secretary-General explains that the activities undertaken during the performance period can be divided into two distinct phases. First, the period from July 2009 to January 2010, during which the Mission was fully engaged in working towards full deployment and operational capacity, and second, the period from January to June 2010, which

was marked by uncertainty about the future of the Mission while discussions were being held regarding the host Government's request not to extend the mandate. The main focus in the second half of the reporting period was on transition planning and drawdown activities, such as the transfer of security tasks to the Government; the reduction of the military component of the Mission to 2,200 troops by 15 July 2010; the closing of regional offices; and the increase in temporary deployment of civilian staff to assist in the preparation for the drawdown and liquidation planning. As indicated below, the underexpenditures in operational costs were primarily attributable to the reduction of the Mission's military component resulting from the above-mentioned developments.

7. By its resolution 63/274 B, the General Assembly appropriated an amount of $690,753,100 gross ($683,454,500 net) for the maintenance of MINURCAT for the period from 1 July 2009 to 30 June 2010. The full amount has been assessed on Member States. Expenditures for the period totalled $540,805,300 gross ($531,979,500 net), resulting in an unencumbered balance of $149,947,800 gross ($151,475,000 net), which represents, in gross terms, 21.7 per cent of the total appropriation.

8. Underexpenditures were incurred, inter alia, under:

(a) Military contingents ($32,136,600 or 18.6 per cent of the apportionment), owing to a freeze on deployment resulting from the uncertainty about the Mission mandate, followed by the Security Council decision to reduce the military component of the Mission from 5,200 to 2,200; partially offset by the increase of recreational leave allowance from 7 to 15 days pursuant to General Assembly resolution 63/285 and a higher-than-budgeted average daily subsistence allowance rate;

(b) Facilities and infrastructure ($74,227,400 or 36.8 per cent of the apportionment), owing to a freeze in deployment resulting from the uncertainty about the Mission mandate, followed by the Security Council decision to reduce the military component of the Mission from 5,200 to 2,200 with the resultant scaling down or cancellation of major construction and other large projects such as helipads, access roads, aprons and the extension and recarpeting of existing runways; partially offset by increased costs for rental of premises owing to delays in the construction of accommodation and office premises, increased requirements for security services, higher-than-budgeted freight charges for refrigerators, and the high cost of utilities (see also para. 17). Upon enquiry, the Advisory Committee was informed that during the period from July to December 2009, the deployment of new military contingents necessitated the provision of hardwall accommodations through the expansion of existing camps in Iriba, Farchana and Goz Beida, with additional camps to be established in Bahai, Guereda and Koukou. After January 2010, however, the Secretary-General indicates that the expansion of the Iriba, Farchana and Goz Beida camps was halted, and the construction of new camps in Bahai, Guereda and Koukou was cancelled;

(c) Air transportation ($26,052,500 or 19.9 per cent of the apportionment), mainly owing to the non-acquisition of specialized equipment such as airfield lighting systems and weather stations, as well as the cancellation of projects related to airfield services at N'Djamena and Abéché airports and the cancellation of the deployment of 10 rotary-wing aircraft resulting from the uncertainty about the Mission mandate and the Security Council decision to reduce the military component of the Mission; the decreased requirements were partially offset by increased expenditures for aircrew subsistence allowance for two aircraft (a

Learjet 35 and a C-130) that had been borrowed from other missions to support mandated activities. According to the Secretary-General, the loaned aircraft were required for activities that could not be accomplished using the available Mission aircraft and also because of the lengthy procurement process that acquiring similar aircraft would have entailed (see A/65/638, para. 37). Upon enquiry, the Advisory Committee was informed that a total of 11 crew members (four for the Learjet 35 who performed 216 days of operations and seven for the C-130 who performed 310 days of operations) had been accommodated in N'Djamena at a total cost of $859,324 or a daily average cost of $283 per crew member.

9. Overexpenditures were incurred, inter alia, under:

(a) International staff ($7,619,200 or 9.9 per cent of the apportionment), owing to lower-than-budgeted vacancy rates, 16.6 per cent compared with 25 per cent budgeted, resulting from the tiger team strategy that enabled recruitment at a faster rate than planned. In addition, there was a higher utilization of staff on temporary duty assignment within the Mission area resulting in higher expenditures for reassignment grants between July 2009 and April 2010 (see A/65/638, para. 27). Upon enquiry, the Advisory Committee was informed that the reassignment grants were paid to staff members that were reassigned between Mission locations for periods exceeding 90 days. In addition, the Committee was provided with a list of 57 assignment grants paid to 56 staff members at an average cost of $15,093 per staff member. **The Advisory Committee notes with concern the high civilian staff costs incurred during the drawdown period. The Committee expects that every effort will be made to minimize such costs in future drawdown exercises;**

(b) National staff ($1,117,000 or 19.4 per cent of the apportionment), owing to the lower-than-budgeted vacancy rates, an average of 15.3 per cent compared with 40 per cent budgeted, resulting from the accelerated recruitment using the tiger team strategy, as well as higher salaries and related costs for national staff resulting from the appreciation in the value of the XAF against the United States dollar from the budgeted XAF 512.96 to an average of XAF 470.7;

(c) United Nations Volunteers ($1,426,700 or 26.2 per cent of the apportionment), mainly owing to lower-than-budgeted vacancy rates, which averaged 6.5 per cent, compared with 15 per cent budgeted, resulting from the accelerated recruitment using the United Nations Volunteers support team;

(d) Official travel ($1,630,500 or 130.4 per cent of the apportionment), mainly owing to the higher-than-budgeted requirements for within-mission travel for the establishment of camps in the eastern provinces of Chad (see A/65/638, para. 32). Upon enquiry, the Advisory Committee was informed that the baseline estimate of 93 trips, for non-training official travel, had been underestimated in the 2009/10 budget. The actual number of trips undertaken was 2,355, of which 2,166 (compared with 31 budgeted) were for within-mission travel undertaken by the Engineering, Aviation, Communications and Information Technology, Movement Control, Transport and Security sections, in connection with the establishment of Mission camps and premises as well as the commencement of drawdown activities. **The Advisory Committee is of the view that the budgeted requirements for official travel were grossly overspent and emphasizes the need for prudent utilization of travel funds.**

10. As indicated in the performance report (A/65/638, para. 22), funds were redeployed between groups — mainly from operational costs to civilian personnel

costs — in order to cover increased resource requirements owing to the lower-than-budgeted vacancy rates resulting from the tiger teams filling the posts more expeditiously. The total amount of funds that were redeployed during the period amounted to $24,140,000 or 3.4 per cent of the total appropriation.

III. Financial position and information on performance for the current period

11. The Advisory Committee was informed that, as at 8 March 2011, a total of $1,533,483,900, which excludes reimbursements for troop-contributing countries, had been assessed on Member States in respect of MINURCAT since its inception. Payments received as at that date amounted to $1,475,272,700, leaving an outstanding balance of $58,211,200. As at 7 March 2011, the cash available to the Mission amounted to $197,300,000. Taking into account a three-month operating reserve of $102,318,500, the cash surplus of the Mission as at the same date amounted to $94,981,500. According to the information provided by the Secretary-General, the amount of cash available will allow for the reimbursement of troop-contributing countries at the next payment scheduled for April 2011. Upon request, the Advisory Committee was provided with an updated summary of the financial position of the Mission as at 28 February 2011, showing estimated liabilities at $156,100,400 (see annex I).

12. The Advisory Committee was also informed that, as at 31 January 2011, $494,600 was owed for troop costs and $12,842,000 for contingent-owned equipment. With regard to death and disability compensation, as at 14 February 2011, $54,000 had been paid in respect of one claim since the inception of the Mission. No death and disability claims were pending as at that date. **The Advisory Committee trusts that the outstanding claims for troop costs and for contingent-owned equipment will be settled expeditiously.**

13. The Advisory Committee was informed that, as at 31 January 2011, the human resources incumbency for MINURCAT for the period from 1 July 2010 to 30 June 2011 was as follows:

Category	*Posts authorized*[a]	*Posts encumbered*	*Vacancy rate (percentage)*
Military observers	—	—	—
Military contingent personnel	—	—	—
United Nations police	—	—	—
Government-provided personnel	—	—	—
Posts			
International staff	140	124	11.4
National staff	184	179	2.7
General temporary assistance			
International staff	—	2	0.0
United Nations Volunteers	38	50	(31.6)

[a] Represents the highest approved strength for the period for the month of February 2011.

IV. Other matters

Détachement intégré de sécurité

14. The Secretary-General states that, in order to help create a secure environment, DIS was deployed in 19 locations in eastern Chad (see A/65/638, para. 7, and expected accomplishment 1.2). A total number of 989 personnel, drawn from the Chadian national police and gendarmes, were selected, trained and certified. As part of a plan to expand the pool of potential female candidates for DIS, close to 5,000 applications were received and 250 new policewomen were recruited. The training provided to the new recruits included rule of law, human rights, HIV/AIDS issues and specialized training for personnel working in the women and child protection units. According to the Secretary-General, 77 DIS commanders were trained in monitoring and mentoring. During the performance period, United Nations police continued to provide support such as advice on traffic control and on-the-job training for 11 DIS investigation officers. A crime statistics database was maintained weekly to record cases of sexual and gender-based violence crimes. The number of people investigated or detained for crimes steadily increased, while crime and incidents committed in refugee camps decreased compared with the preceding performance period. The campaign to increase the visibility of DIS to the general public included daily radio programmes, television reports and the distribution of posters. **The Advisory Committee takes note of the important contribution made by MINURCAT in supporting DIS in its role of creating a secure environment in eastern Chad. In addition, the Committee welcomes the efforts made to increase the recruitment of women into the national police and into DIS and the attention given to the situation affecting women and children.**

Training

15. With regard to training, the Advisory Committee, upon enquiry, was informed that in the first half of the reporting period, MINURCAT placed an emphasis on routine training activities, in order to enable staff members to achieve the mandate of the Mission. In the second half of the reporting period, the training priorities changed to providing and reinforcing the necessary skills to enable staff to transition easily to other employment or to transfer to other missions after the anticipated liquidation of the Mission. Expenditures on training amounted to $659,200, or 0.77 per cent of staff costs. The information on actual training activities undertaken by national and international staff during the performance period is provided in annex II to the present report.

Staffing during the liquidation period

16. Upon enquiry regarding current and projected staffing levels during the liquidation period, the Advisory Committee was informed that the staffing level, as at 22 March 2011, was 105 international, 179 national and 39 United Nations Volunteers. It is expected that by April 2011 the staffing level will be reduced to 71 international, 65 national and 21 United Nations Volunteers. The Committee was further informed that the Department of Field Support was continuing its efforts to reassign the international staff that would remain with the Mission until the end of the liquidation period. Thus far, 50 per cent of the staff had received follow-on assignments, and it was expected that the majority of the remaining staff would similarly be reassigned by 30 April 2011. Furthermore, the Committee was informed

that a job fair for national staff had been organized with potential employers, resulting in 17 national staff finding new employment. **The Advisory Committee notes the proactive efforts made by the Secretary-General in this regard while being cognizant of the need to retain the necessary staff required for the successful liquidation of the Mission.**

Utilities (water)

17. According to the supplementary information provided by the Secretary-General, the expenditure for utilities was $2,002,000, representing an overexpenditure of $1,661,100, or 489.8 per cent, of the budget estimate of $339,100. Upon enquiry, the Advisory Committee was informed that the requirements for water alone amounted to $1,969,707. The Secretary-General explained that the budgeted estimate of $3 per cubic metre was based on the cost of water supplied by municipal systems, which, however, did not exist in the provinces where new camps and premises were established during the performance period. The actual rates paid to vendors were $6 per cubic metre in Abéché and $13 per cubic metre in the other locations. The actual rates paid included the cost of trucking, labour and the rental of generators to pump the water. The Secretary-General further explained that there were unanticipated delays in drilling for water by military contingents deployed in Abéché, Iriba and Bahai, in addition to the fact that water sources in many locations of the northern sector are dry from March to July, which necessitated the trucking of water over long distances to support the military and civilian personnel in those locations. **The Advisory Committee emphasizes the importance of formulating realistic estimates in determining budgetary requirements and expresses its concern about the lack of progress in the initiatives to provide water to meet the needs of the Mission.**

Recommendations of the Board of Auditors

18. In paragraph 119 of its report contained in document A/65/5 (Vol. II), the Board of Auditors recommends that the Department of Field Support conduct a thorough post-implementation and lessons learned review of the drawdown and liquidation plans for MINURCAT. The Board further recommends that the key lessons be utilized to create clear guidance on developing and implementing a drawdown plan for closing missions. During its consideration of the performance report, the Advisory Committee was informed that the Secretary-General would report on the implementation of this and other recommendations of the Board in the context of the next performance report.

IV. Conclusion

19. The actions to be taken by the General Assembly in connection with the financing of MINURCAT for the period from 1 July 2009 to 30 June 2010 are indicated in paragraph 44 of the performance report. However, during its consideration of the performance report, the Advisory Committee was informed by the representatives of the Secretary-General that the estimate of outstanding cash liabilities was updated to $156,100,400 as at 28 February 2011. It was further explained that the financial position was subject to change owing to the ongoing liquidation activities and it was therefore proposed that the actions to be taken with regard to the unencumbered balance, as well as to other income/adjustments, be

deferred to the sixty-sixth session of the Assembly. **The Advisory Committee has no objection to the proposal of the Secretary-General to defer action on the unencumbered balance of $149,947,800, as well as on the other income/adjustments in the amount of $13,466,100, to the sixty-sixth session of the General Assembly. The Committee recommends that the Secretary-General provide an update to the Assembly on the cash position of the Mission at the time of its consideration of this matter.**

Documentation

- Performance report on the budget of the United Nations Mission in the Central African Republic and Chad for the period from 1 July 2009 to 30 June 2010 (A/65/638)
- Report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2010 (A/65/5 (Vol. II))
- Report of the Secretary-General on United Nations Mission in the Central African Republic and Chad (S/2010/611)
- General Assembly resolution 65/254 on the financing of the United Nations Mission in the Central African Republic and Chad
- Security Council resolution 1923 (2010)

Annex I

Summary of the financial position for the United Nations Mission in the Central African Republic and Chad as at 28 February 2011

(Thousands of United States dollars)

Description	*Amount*
I. Cash assets	203 291.0
II. Cash requirements (liabilities)	
Unencumbered balance of fiscal year 2011	49 495.7
Contributions or payments received in advance	13 479.2
Unliquidated obligations, including prior-period obligations	87 781.6
Inter-fund balances payable and other liabilities	5 343.9
Subtotal	**156 100.4**
III. Cash surplus (I less II)	**47 190.6**
IV. Credits due to Member States from the 2009/10 period	
Unencumbered balance	149 947.8
Interest income	4 199.8
Other/miscellaneous income	3 400.7
Cancellation of prior-period obligations	5 866.0
Prior-period adjustment	(0.4)
Subtotal	**163 413.9**
V. Credits due to Member States from the 2010/11 period	
Interest income	2 800.3
Other/miscellaneous income	2 494.7
Cancellation of prior-period obligations	4 789.1
Prior-period adjustment	(25.1)
Subtotal	**10 059.0**
VI. Cash shortfall (III less IV and V)	**(126 282.3)**

Annex II

Actual training undertaken during the period from 1 July 2009 to 30 June 2010

A. International staff training

Type of training	Internal courses Number of		External courses Number of	
	Courses	Participants	Courses	Participants
1. Administration/budget and finance	1	10	8	9
2. Air transportation	—	—	4	5
3. Communications	2	15	3	4
4. Engineering	—	—	5	5
5. Gender	—	—	1	1
6. Ground transportation	1	6	3	3
7. Human resources management/development	2	16	3	3
8. Human rights	—	—	2	4
9. Information technology	4	44	8	8
10. Leadership, management/organizational development	1	69	3	3
11. Medical	2	24	1	1
12. Political and civil affairs	—	—	1	2
13. Procurement/contract management	4	34	1	1
14. Protection of civilians	—	—	4	4
15. Security	1	4	2	2
16. Supply/property management	4	27	2	3
17. Other	18	781	9	14
Total	**40**	**1 030**	**60**	**72**

B. National staff training

Type of training	Internal courses Number of		External courses Number of	
	Courses	Participants	Courses	Participants
1. Administration/budget and finance	1	9	2	2
2. Communications	2	4	1	1
3. Human resources management/development	2	19	—	—
4. Human rights	—	—	2	3
5. Information technology	4	21	1	1
6. Leadership, management/organizational development	1	1	—	—
7. Medical	2	37	—	—
8. Procurement/contract management	3	27	—	—

Type of training	Internal courses Number of		External courses Number of	
	Courses	Participants	Courses	Participants
9. Supply/property management	6	20	—	—
10. Other	16	885	1	1
Total	**37**	**1 023**	**7**	**8**

C. Cost of international and national staff training

(In United States dollars)

Training resources	659 200
Staff costs[a]	86 020 100
Training resources to staff costs (percentage)	0.77

[a] Excludes hazardous duty station allowance.